

EXHIBIT 12
(Filed Under Seal)

21st Century Pork
September 2, 2009

On behalf of the Clemens Family and all of our team, I would like to welcome you to God's country - Pennsylvania.

Let me give you a very brief overview of who we are as a family business and then talk about where we are going.

Our business has roots in the community going back to 1895. My grandfather, John C. Clemens began our family business as an agri-business. It began when his father gave him 1 hog a week to butcher and he would load his pork products on his wagon and travel about 30 miles to Philadelphia to sell his products. He then would go to the wharf and get fish to sell to the country folk. His motto, "Never an empty wagon"

His agri-business expanded in poultry, dairy, produce and other agriculture products. At the same time, he began to sell his products in retail markets. By 1920, he had narrowed his business to pork products and retail meat stores and named his business Pleasant Valley Packing Company.

He continued to operate the business until 1941 when he sold the business to 2 of his sons. They operated the business until 1946 when the business burned to the ground and they lost everything.

They decided to rebuild. However, rationing from World War II was still in place and they could not get steel to rebuild. So they approached the neighboring competitor and asked if they would sell. Initially they said no. But, just a short time later they reconsidered and decided to sell. The 2 brothers were joined by 2 other brothers and they were back in business, only 3 months after the disastrous fire.

With one week of purchasing the business, President Truman removed all rationing - including rationing of meat - and the business took off.

Today our business is a thriving diversified business. We have 229 family shareholders ranging in age from 94 - <1; they are from the 2nd to the 6th generation. We have approximately 2,200 team members employed in our various businesses.

Clemens Development is our real estate division with a shopping center, warehouse/office complex, and other land development.

Clemens Food Group houses all of our food businesses, agriculture enterprises, and logistical businesses. Our food group consists of branded companies - Hatfield, Wild Bills, Nick's Sausage, Creta Farms, etc. Our logistical business contain CFC Logistics (a cold storage warehouse), and PV Transportation - a livestock and refrigerated delivery service. Our agricultural enterprises consist of all of our Country View Family Farms operations.

Let me share interrupt sharing with you about what we do and share a bit more about who we are. Understanding who we are is absolutely critical to what we do.

I'm a firm believer that for a business to be successful for both today and tomorrow you must have a very firm foundation. Here is how I view how you build a successful business.

First you work on the foundation. The foundation consists of your values. Our core values are Integrity, Ethics and Stewards. (Hand out Core Value brochures).

Next you work on the vision. Your vision is your destination. Too many people today want to know what direction to take their business, but they forget you first have to have a destination. Here is our destination - our vision.

"It is the Clemens Family Corporation's goal to own profitable diversified enterprises that honor the Lord Jesus Christ. We are committed to be a Clemens Family controlled corporation. We will be good stewards of all God has given us including our assets, employees, the environment in which we work and the neighborhoods in which we live."

Finally, you define your mission. Your mission says what you will do in the very near future to take you to your vision.

Remember, Core Values should really never change. Or, if you do consider changing them, you only do it after a long process of really looking at who you are. Your Vision is built on your Core Values and it can not violate your Values. Your Vision also should be fairly set and it should take some hard work to change it. Finally, your mission is something that is continually changing, but it never violates either your values or your vision.

Again, many people today are very concerned about direction without any idea of destination. That is a real problem.

Use Covey's illustration of "Wrong Jungle"

Now what we do.

As we look to the next five years, we will continue to be a privately held business. We will look to partner with like minded companies - some through acquisitions others through either mergers or joint-ventures. It will be our goal to grow value added branded business for both retail and the ever growing food service business.

One of the things we will attempt to do is to continually add new value added products to our line.

At this time, I would like Bob Ruth to come and share with you how we plan to grow this category and show items that we have already developed and talk about products of the future.

As a privately held company, we do have some very unique challenges that other companies in the meat business don't face. These challenges can either kill you, or make you better. Here are some of the challenges - private ownership has different expectations for success; cash is always king in private enterprises and it must be treated very differently - run out of cash and you are out of business; and finally continuation of the business because of your family name being tied to the business can be both a blessing and a curse. I'd be glad to discuss each of these later on if we have time.

Pork Industry in general

Generally I am very optimistic - but today, I want to be realistic as I look at our industry as a whole.

I believe the pork industry in the US will have significant challenges in both the short and long-term. However, the reasons for the challenges are very different, but not insurmountable.

Short-term challenges:

1. I think one of the greatest challenges we face is because of the worldwide economic struggle. When economies are good - people add more protein to their diet. When economies struggle, protein is removed from the diet. This is economics 101. There is no doubt in my mind that we have seen a shrinking of protein because of economics - both domestically and worldwide.
2. Our production has not slowed and we are in a typical supply demand curve problem. We continue to produce too much pork for the amount that is being consumed. In the last few weeks we have started to see a reduction in the sow herd - but still not even close to what really has to happen.

3. The protein challenge is not just limited to pork. Poultry and beef are impacted also and the cheapest with the best price will win.

4. Because of worldwide economic struggles, countries are blocking out all kinds of products, including meat, to provide ready markets for their own citizens - even if costs are higher.

There are other challenges, but I will include some of those in the long-term challenges because they don't have short-term solutions.

Long-term challenges:

1. The anti-meat challenge brought on by activists. This is multi-faceted and needs to be examined closely. Many of these challenges are very obvious, however some you may never have seen in the light I will describe them.

A. Environmental challenges - this one comes at us in many forms. Hog farms responsible for global warming; pollution of streams and the air; employee and community health issues; just to name a few. One of our greatest challenges will come from the United Nations a very socialistic agenda to level the playing field around the world. They are a major supporter of cap and trade which will clearly take money from strong capitalistic nations and transfer it to developing countries. This will put all of our advanced technologies both on the farm and in factories at risk and put us at a great disadvantage. Another way of looking at it, we will pay our competition to eat our lunch.

B. Religious challenges - two of the world's major religions reject pork in the diet. One, Judaism - does much more on a pacifistic basis and the more fundamentalists don't eat pork, but the majority of Jews are willing to eat pork in moderation (we even had requests for Kosher pork in Israel). As Islam grows at rapid paces around the world they become very adamant about not eating pork, or consuming any product that comes near pork. I would expect that before long there will be a push to have all pork related products remove from the school lunch program because of pork contaminating all food that comes close to it. This includes the elimination of Jell-O (because of pork skins). I actually believe that this is the greatest threat to our industry - greater than animal rights, environmental and cultural combined.

C. Animal rights challenges - in reality this should be listed under the religious challenge, because the animal rights groups all have their roots in eastern religions. These religions promote reincarnation and as a result promote vegetarian diets and also giving animals the same rights as human - after all in eastern religions we are all on a journey, just in different phases.

Don't forget, that this is the same mindset where the modern environmental movement has its roots.

2. Government interference in our businesses. This challenge is actually spurred on with the items listed in number one above. Government regulations begin in a very small way as a reaction to a problem brought to their attention by citizens. Think back to just over 100 years ago. Meat inspection was first introduced into this country as a result of a book - The Jungle, which was a novel written by a socialist journalist. Were there problems in the meat packing industry? Yes. Since the industry didn't clean itself up, government forced its way on us.

Thus, if we jump ahead to today in the 21st century - our government sees itself as the protector of the people. Thus, if a small group of people get vocal - we have regulations forced on us. Just look at the hog industry and open pens. Does the average American citizen know anything about modern agriculture and how their food gets to the table? No - they have no clue. However a group like the Humane Society can relate the swine industry to how Nazi's treated Jews in World War II and get laws passed to regulate our industry.

Just remember their end goal is not to regulate our industry, but to put us out of business. These same groups, which are well funded, pressure politicians to pass legislation to further regulate us. This process is continued over and over.

I see the government now getting ready to regulate what is kids eat at school (already has happened) and even what we eat in our homes. Don't be surprised to see food taxes in the very near future - with the meat industry in the center of the bull's eye.

The other way the government could impact us (which I spoke about a few moments ago) is to have all pork removed from the school lunch program because of religious beliefs and wanting to be political correct. This will be supported by the animal rights groups for very different reasons. Children won't understand why this is happening, but will be told if they want to be progressive citizens, this is really the right thing to do.

The swine industry clearly has some great challenges ahead. But, remember that challenges are really opportunities. How can we solve these challenges?

First, as an industry we need to be extremely proactive. We need to work together to be the best we can be. If we have bad actors out there that are giving our industry a bad name, we either have to help them to clean up their act or have a way to force them out of business. This has to do particularly with animal welfare and environmental issues.

Second, we need to work together and not separately. As an industry, we need to know what should be non-competitive issues that we can help each other out. Yes, there are some things that should not be shared - that is what capitalistic enterprises are all about. But, there are some issues that really aren't competitive and we all need to be better tomorrow than we are today.

Third, we need to learn to support the entire chain. Our enemies want each part of the chain to blame each other for lack of success. The farmer, producer, packer and end seller must all work together for the common good. Today, too often we attack those we are dependent on for our failure to perform. This needs to stop and we need to work together as a chain.

Fourth, and maybe the hardest - but yet the most important is that we need to be involved on the political front. Our industry has stood by too long and allows us to just get run over by the regulators. It is not fun to go up to our local, state or national governments and tell them how they impact us - but it is absolutely necessary. They are often put in tight places by those that would like to put us out of business and they must hear our side.

Finally what we don't need is a government handout. Many in our industry have been running to the government and holding out their hand - we need our bailout. Don't you see how bad we have it? Pork producers and packer don't need to become the latest welfare recipients. Once you taste welfare, you are hooked. The government first becomes your silent partner, then your vocal partner, then your boss. The Bible says it this way - "the debtor becomes the servant to the lender". We don't need that for our industry.

H1N1 and other outbreaks and how they will impact us

I believe we have only seen the tip of the iceberg on this one.

You need to know that I am not a person that sees an enemy under every rock - but try to realistic look at things and then try to see what is driving them. H1N1 is a prime example.

What did H1N1 do? Why is this a trend of things to come?

First, who sounded the first alarm on H1N1, how was it portrayed, and who took control?

Who sounded the alarm? It was a combination of the United Nation's World Health Organization quickly followed by animal rights activists from around the world. Don't give facts - quickly spread stories, grab headlines, scare people and let panic begin. If you get there first, retractions rarely happen and if they happen they are hardly ever read.

If you look closely at fact, Mexico was battling a new strain of flu for months before the outbreak. Hind site shows, there really wasn't much of an outbreak in Mexico to begin with - it was continuation of the flu that had been there for several months. Since this was a new strain containing four types of H1N1, and the name of swine flu - it only took a little spark to find some pigs near the site and blame them.

Again - facts don't matter.

One little reported fact with the H1N1 and reaction. Does anyone know what happened to the entire hog population in Egypt because of H1N1? All killed. Why? H1N1? No. Egypt is a moderate Islamic country. No Muslim is allowed to own or go near anything that has any relationship to hogs. Who owned all the hogs in Egypt? The Christian community. How do more radical Muslim's get moderate Muslim's to get rid of hogs which they detest? Tie swine flu to people that will die and you have a need to kill all hogs and have them destroyed. Kills both economics and hogs. A double win.

This is an issue we have discussed often - is education the answer? Do facts matter? Does it matter if we are right? Why is perceived believed even if it isn't right?

I believe any human illness that can be tied to any animal that is consumed for food will have the same reaction. I'm absolutely positive that if flu could be linked to either cats or dogs, it would be viewed very differently. Humans would be need to blamed for spreading disease to our pets and we would need to something to the human population. Just this week, it was reported some poultry flocks now have H1N1 - so they aren't out of the woods either.

So we need to be prepared for an out break of foot and mouth, avian flue or other diseases. We must remember that most of the international health agencies are driven by people with very different agendas and lifestyles than what we have here in the US.

Again, as an industry we must be alert to all these things that could challenge our long-term survival and join together and be proactive about getting our message out - but not to forget that our message must be compelling and not just facts.

US vs. World Production of Pork

The private enterprise system is remarkable. Knock it down, and it gets right back up and gets even better. But, if it is knocked down too many times - the getting up is even harder.

Do I believe the US production of pork will continue at the same level as it has in the past? No - I believe we will see a steady decline for several reasons. But, I believe pork consumption in the US will continue at the same levels - even if we don't produce all the pork here in this country.

Why do I believe that US production will drop while the world production won't? I think there are several reasons.

First, the US population doesn't really care where their food comes from - just so it is rather inexpensive and is safe. The government and a lot of those who seek protectionism would have you believe that the American consumer only wants products grown and processed here in the US. I don't believe that is true. Price will win out most every time. Must look at habits, not what they say they will do. What they say doesn't match action.

Yes, we do have a percentage that care, but that percentage is very small and it only matters when we are living in very affluent times and we have too much money floating around. I don't think we will see those days for a long time.

Second, our regulations will drive production out of the US - intentionally. No one will say it is intentional, but in the US farmers and agricultural workers are considered second class citizens. We will talk a lot about the family farm, but no one wants them and for the most part we won't pay to support them. Again, that is a general statement. We will have some that do well, but the majority won't. Even most farmers don't want their kids to follow them as farmers. The same can be said for meat packers and others involved in the food chain.

Third, the industry will find their investments can go much farther in other countries and they can produce quality safe food products at much lower costs (due to lack of costly government regulations) and still sell their products into the American market place - probably at a great profit margin.

The US industry will have a challenge to keep up - especially if we see the industry transfer to other countries where it is easier to do business. I think we have a model that we can watch very closely. JBS is a very aggressive company and with it taking over Swift, we will be able to watch what an international company can do. I'm sure that if they can find that they can produce similar products in other countries and still market to the US, they will do it in a heartbeat.

As our government begins to demand more and more of industry, they will end up pushing profitable enterprises out of this country. If we look at some of the initiatives of the current administration (cap and trade, health coverage, increase taxes on individuals and corporations, ramped up regulations, and the list goes on) and a willing congress that can't stop spending, which in turn will increase every ones taxes - it will become less profitable to do business in the US and make other places around the world much more attractive.

What does our industry have to do to remain competitive?

I certainly have given you a whole list of problems. But, can these problems become our opportunities? I believe the answer is absolutely yes. If I didn't think that was the case, I would attempt to persuade our investors to sell our business today before it was worthless.

It will take a lot of hard work and doing things differently to make it happen. The same last 7 words are engraved on the tombstone of every business, organization or industry that has ever died. Those words are, "We Never Did It That Way Before!"

The engraver is already working on the tombstone for the pork industry. This past year he dusted off the tombstone because he got word that the industry is on life support and the projection is for additional illnesses in the near future.

But, it doesn't have to be that way. We must be resolved to work much smarter and not nearly as hard. There is nothing wrong with hard work and each of us should be doing that every day. But, are we learning to work smarter or just harder. I content we must learn to work smarter.

Fred Smith

"Respect results with the least possible effort. Never substitute effort for accomplishment. Disassociate effort and reward."

To put Fred's wise words in my own - Work smarter, not harder - and reward others for results - not for hard work.

How do we work smarter?

I've planted some of the seeds throughout this talk. We must work together wherever and whenever possible. As an industry we must be willing to speak with one voice in a very compelling manner. We must prioritize our issues and spend the majority of our time working on the things we have control over. Too often we spend a lot of time and effort working on things that we have no control over.

Let me give you a few examples. Today I gave you a list of many of the obstacles we have on our path. Let's just list them.

1. The worldwide economy
2. Over-production in our industry
3. Over-production in other proteins
4. Trade barriers to US products
5. Environmental challenges
6. Potential regulations like Cap and Trade
7. Religious challenges - Islam
8. Vegetarian diets
9. Animal rights laws
10. Government regulation on school lunch program
11. H1N1
12. United Nations/World Health Organization
13. World competition for pork production
14. Increased taxes

So which of these 14 items can we have any control over? How do we prevent the ones that we have no control over from distracting us?

How will you be proactive in heading these challenges off? What information can you share that is non-competitive that will help this industry not only survive but actually thrive? Are you committed to making this industry to be the best it can be - or do you want to call in the engraver today to finish off your tombstone? The choice is yours.

You may not like your choice - but you do have a choice. Chose life or chose death. Then execute your choice.

Items to cover:

Where is Hatfield going over the next 5 years?

Pork Industry in general

H1N1 and other outbreaks and their impact

US vs. Global hog production

Long-term what the industry has to do to remain competitive